

May 2, 1945

1.42
Ad 4 Agr
Cop 3

AGRICULTURE IN ACTION

PRELIMINARY 1946 PROGRAM
PLANNING MEETINGS COMPLETED
IN MAINE. SECOND SERIES OF
COUNTY MEETINGS SCHEDULED

At Maine's first series of county meetings held for the purpose of making preliminary plans for the 1946 Agricultural Conservation Program, county committeemen, alternate county committeemen, and four or five representative community committeemen per county took the first step toward establishment of an over-all county program.

Practice needs, farm contacts, desirable educational and action programs, long term agricultural trends in the county, commodity program needs, and other factors affecting AAA programs and policies were discussed at length in an effort to arrive at a basis for a sound Agricultural Conservation Program fitted to the present and future agricultural needs of the county and State.

As to the need for a program county chairmen polled the group and opinions were unanimous that AAA performed an important and valuable service. Committeemen indicated a 50% to 100% drop in various practices if assistance to farmers were to cease. Many expressed vital concern about the probable future need of commodity programs after the war, stating that they considered past and current commodity programs of material assistance in keeping farming on an even keel.

Attendance at the meetings was reported as 95%.

Maine's second series of county meetings, which will be attended by county and community committeemen, is scheduled for the last week in May. These meetings in each county will be devoted to drafting specific recommendations for the 1946 Agricultural Conservation Program for each county. The recommended county programs will be presented to the State committee on June 12 for final consideration and development of a State program.

POTATO ACREAGE
INTENTIONS REPORTED

The most recent tabulation of potato growers' AAA farm plan sheets shows some increase over previous intentions to plant. The 1945 indicated acreage given below was obtained in early April.

: Acreages :				1945 Indicated	
: 1945 : 1945 : 1944 :				as Percent of	
State	Indicated	Goal	Planted	1945	1944
	:	:	:	Goal	Planted
Maine	211,700	200,000	201,000	105.8	105.3
N. H.	7,000	8,500	7,600	82.4	92.1
Vt.	12,600	14,000	12,000	90.0	105.0
Mass.	25,000	25,000	24,000	100.0	104.2
R. I.	6,600	7,000	6,500	94.3	101.5
Conn.	22,200	21,000	21,300	105.7	104.2
N. Y.	204,600	204,000	195,000	100.3	104.9
N. J.	68,000	66,000	71,000	103.0	95.8
Penna.	165,000	179,000	167,000	92.2	98.8
Total	722,700	724,500	705,400	99.7	102.4

* * *

---A total of 110,378 applications for crop insurance have been filed to date, according to incomplete and unofficial figures compiled by the FCIC.

FARMERS URGED TO
PLAN FARM STORAGE
OF 1945 CROPS

The prospect of the largest winter wheat crop on record and of bumper crops of other grains points up the transportation and storage problem farmers will encounter this year.

On April 1 there were 239 million bushels of wheat on farms -- 19 million bushels more than a year earlier. Owing to transportation difficulties only 51 million bushels of wheat reached terminal markets in the first three months of 1945 compared with 157 million bushels during the same period in 1944 and 120 million bushels in 1943.

The terminal elevators in the East will be taxed with handling a large volume of grain moving through them for export. Wheat farmers should keep this in mind when making plans for handling their own local production and possibly a larger proportion than normal of this year's crop will have to be stored on the farm.

The need for wheat and other grains this year is virtually limitless, officials point out. Every precaution should be taken to prevent spoilage.

FARM MACHINERY CUTBACKS
RESTORED; PERMITS
CURRENT LEVEL PRODUCTION

Modifications in military requirements for steel and the increasingly urgent needs of this year's food production program have resulted in approximate restoration of the severe April 10, 1945 cutbacks in the farm machinery production program, the War Production has announced.

In restoring the cutbacks to the approximate level of the first quarter, WPB increased the original allocation of 195,000 tons of steel for the second quarter by an additional 53,662 tons of carbon steel and 2,140 tons of alloy steel. (There was a net usage of 256,000 tons of steel in the first quarter of the year.) To the advanced allotment authority of roughly 193,000 tons of steel for the third quarter, WPB added 52,606 tons of carbon steel and 747 tons of alloy steel.

The cutbacks had been made in the second and third quarters steel allocations for farm machinery because of the extremely critical steel supply-requirements situation that existed at the time the allotments were made. They were comparable to reductions made in other urgent programs.

Restoration of the cutbacks follows an appeal by the War Food Administration to WPB, in which the food agency said that more farm machinery was needed to meet some of the most necessary food requirements. The agency declared that non-civilian food demands for this year are greater than those of last year, while civilian demands continue at high levels.

While the added steel is below the tonnage required by manufacturers of farm machinery to complete on a 100 percent basis their currently authorized production programs, WPB said it is sufficiently large to prevent cancellations of orders on steel mills and to permit continued production of machinery at approximate current levels.

* * *

---Secretary Wickard has named the Farm Credit Administration to dispose of surplus agricultural and forest lands which the Surplus Property Board assigns to the Department of Agriculture.

NEW SCHEDULE OF
RATES FOR DAIRY
PRODUCTION PAYMENTS

A new schedule of dairy production payment rates for the period through March 1946 has been announced by the WFA with the approval of the Office of Economic Stabilization. Tentative dairy payment rates through December 1945 were announced February 14. These have now been adjusted, established definitely, and extended through the first three months of 1946. Recent legislation, providing funds for this program beyond the present fiscal year, made possible establishment of the payment rates on a firm basis for the rest of 1945, and the extension of the program through next March. The announced rates are subject to adjustments to compensate for any general upward change in milk or dairy product prices.

The new schedule provides substantial increases in the rates of payment on butterfat, to levels slightly higher than one-fourth the national average rates on milk, in accord with recent legislation. It also provides for increases of 10 cents a hundredweight in the rates previously announced for whole milk delivered in July, August, and September, and for extension of the regular winter rates on both milk and butterfat from October through March 1946.

While there are some changes in the seasonal pattern of payment rates, with some months slightly higher and others slightly lower, the annual average level of payments will be comparable with last year. The changes in the rate pattern are designed to encourage continued increase in production during the third and fourth quarters of the year, to utilize more fully short supplies of labor and processing facilities. The new payment rates for the Northeast are shown below:

Production Period	Me., N.H., Vt., N.Y., Pa.		Mass., R.I., Conn., N.J.	
	Milk	Butterfat	Milk	Butterfat
April, 1945	70¢	17¢	80¢	17¢
May-June, 1945	35¢	10¢	45¢	10¢
July, Aug., Sept., 1945	55¢	13¢	65¢	13¢
October, 1945 through March 1946	70¢	17¢	80¢	17¢

The new payment rate program involves commitments for dairy production payments to farmers approximating \$541,000,000 over a 12-month period.

Manchester Explains

In his weekly radio talk Mr. Manchester discusses the significance of the increase in milk payments. A copy of the transcription is attached.

WPB MOVES TO IMPROVE

REPAIR PART DISTRIBUTION

Independent distributors of farm machinery repair parts have been placed on an equal footing with producers of equipment in the procurement of parts, according to the War Production Board. An AA-2 preference rating will be granted for items and components to be used and sold as repair parts for farm machinery and equipment and must be purchased from parts manufacturers. To obtain a rating the distributor must first obtain a serial number through application to the WPB.

* * *

---Certifications for 1944 ACP payments were reported by State Certifying officers as follows for the periods ending April 14 and April 21, respectively: Maine, \$25,227.03, \$30,173.80; Vermont, \$463.10 both periods; Massachusetts, \$40,474.02 both periods; New York, \$40,384.01, \$43,727.00; New Jersey, \$611,464.40; \$657,525.95; Pennsylvania, \$137,428.67, \$147,915.56; totals, \$855,441.23, \$920,279.43.

**WFA TO HELP MOVE
LARGE APPLE STOCKS
IN N.Y., PA., MASS.**

The War Food Administration has taken steps to encourage the full use of the unusually large stocks of small and lower grade apples remaining in storage. These apples are located in the Appalachian area and in the Northeast.

As of April 1, there were 11,580,000 bushels of apples in storage as compared with 5,436,000 bushels at the same time a year ago. New York with 1,987,000 bushels, Virginia with 1,544,000 bushels, Pennsylvania with 811,000 and Massachusetts with 519,000 bushels were among the States with the largest holdings.

Purchases will be continued for the school lunch program and for other institutional feeding to the extent outlets are available. Dried apples from the 1944 crop will be purchased at ceiling prices in accordance with previous announcements. Purchases, as announced, will be contingent upon processors paying designated prices to growers.

Already WFA has purchased more than 2,000,000 bushels of apples from the 1944 crop. Since February 27, 806,361 bushels have been purchased as a price-support measure and as a means of moving stocks into channels where they will be used. To reduce the loss to growers from the hurricane which swept the Atlantic seaboard last fall, WFA purchased 540,142 bushels. In addition, 727,592 bushels have been purchased for lend-lease.

A substantial part of the apples remaining in storage in the Eastern area will not move readily in commercial channels because of quality and size, but they are suitable for making applesauce, apple butter, and similar products. To assure fullest utilization of these apples as food, the WFA has assured processors who handle these apples that:

1. WFA will purchase apple chops (whole apples chopped and dried) and similar products processed from the 1944 crop subsequent to April 1, 1945. WFA will pay 14 cents a pound for apple chops and will purchase stocks in the hands of processors on January 1, 1946, provided processors purchase from growers at not less than \$1.25 per hundred pounds.

2. WFA will purchase vinegar at prevailing ceiling prices made from 1944 crop apples if the apples were purchased after April 1, 1945, and the designated price of not less than \$1 per 100 pounds was paid to the growers.

**HOG SUPPORT PRICE
WEIGHT RANGE INCREASED**

War Food Administrator Marvin Jones has announced a raise to 300 pounds in the weight of hogs for which recently announced price supports will be effective.

The action is taken because of the relatively favorable feed situation and the great need for fats and oils. When the increased fall pig production goal of 37 million head was announced on April 11, the War Food Administrator raised the support price from the former \$12.50 to \$13.00 a hundredweight, Chicago basis, for good and choice butcher hogs, all weights up to 270 pounds. The top weight for this price support is now raised to 300 pounds, effective immediately. As announced previously, the support price of \$13.00 will continue until September 1, 1946.

**FEB. LUMBER PRODUCTION
14.6% LESS THAN YEAR AGO**

Lumber production in February, estimated at 2,113,038 board feet, was 14.6 percent less than that in February 1944, and 6.3 percent less than production in January

1945, WPB has reported. Normal seasonal decline from January to February is about 3.5 percent.

**ALL PROCESSED GRAINS
FOR FEEDING AND MIXING
UNDER PRICE CONTROL**

Effective April 30, 1945, all feed grains processed from the whole grain into animal, poultry, or mixed feeds have been brought under price control, the OPA has announced. Until now (with the exception of corn) whole grains processed by grinding for feed for animals or poultry, were exempt from price control.

Methods have been provided for establishing base prices for the processed grains, and specified processing allowances and merchandising mark-ups have also been provided. It will no longer be possible to process the whole grain for the purpose of realizing a higher price than is permitted by the individual regulation under which each grain is priced, OPA explained.

The base price for processed grain under this action will be one of the following: (1) The supplier's maximum price on the whole grain delivered at the processing mill; (2) The withdrawal price of the whole grain determined on the basis of a formula provided in the regulation; or (3) if the whole grain is not subject to price control, the reasonable market value of the whole grain at the time of the sale of the processed grain.

In the case where the milled lot was processed from two or more whole grains the base price may be determined by multiplying the weight of each lot of grain used by its base price, adding the resulting totals, and then dividing the grand total of these figures by the total weight of the lot.

A processor's maximum price is the sum of (1) his base price, (2) his processing mark-up, (3) his transportation costs, (4) an allowance for sacks or containers if furnished by the processor, and (5) the appropriate merchandising mark-up provided in the regulation.

Maximum prices are also established for jobbers, wholesalers and retailers on the basis of adding transportation costs, if any, and the appropriate merchandising mark-up applied to the supplier's maximum price.

The new action does not apply to the following sales of processed grain: (1) That sold at retail in packages of five pounds or less; (2) Mixtures of more than one grain partially or wholly processed in any State where the mixture is registered or is offered for sale as a branded scratch feed; or (3) Processed grains manufactured for human consumption or for purposes other than for animal, poultry or feed mixes.

**MAY TIRE CONVERSION
QUOTAS ESTABLISHED**

Tires for the conversion of tractors and other farm implements from steel to rubber have been allocated to Northeast States as follows, according to a notice to AAA State committee chairmen: Maine, 32; New Hampshire, 8; Vermont, 20; Massachusetts, 10; Rhode Island, 6; Connecticut, 24; New York, 176; New Jersey, 52; and Pennsylvania, 174.

**FRUIT, TRUCK CROP, MEAT
ANIMAL PRICES ADVANCE**

Prices received by farmers on April 15 average 117 percent of parity, an increase of three points above a month earlier. Principal advances in prices were for fruits, truck crops, and meat animals.

WICKARD SUPPORTS
RECIPROCAL TRADE
AGREEMENTS ACT

Before the House Ways and Means Committee, April 24, Secretary of Agriculture Claude R. Wickard, in support of a resolution to renew the Reciprocal Trade Agreements Act, said:

" . . . During the war our farmers have increased production far beyond all previous records due to increased consumption in this country and increased shipments abroad. If these demands are curtailed appreciably, farmers will be forced to make adjustments they do not like. However, if there is a continuation of high domestic purchasing power and good export demand, farmers can sell all they can produce at a fair price. We cannot have either of these situations unless we have an expanding world trade . . .

"Provision has been made by Congress for the maintenance of farm prices, particularly in the years of transition from a war to a peacetime economy. Far from being in conflict with such legislation the Trade Agreements Program will supplement price supports by expanding foreign markets. If foreign markets should be restricted by increased trade barriers, the problem of maintaining domestic prices would be far more serious.

"Imports of agricultural products can never seriously endanger the domestic market for our own farm products. Even in those years in which we had the greatest imports of farm products counted as competitive, such imports never supplied more than 10 or 11 percent of the domestic market. These were years of prosperity for the farmer. In the years of the depression the share of imports fell to 7 percent. Of course, the farmer was much better off in the years of prosperity when he had 90 percent of a 12 billion dollar market than he was in the depression years when he had 93 percent of a 6 billion dollar market. . . ."

FINAL REPORT ON
NOV. - DEC. DAIRY
PRODUCTION PAYMENTS

Total payments for whole milk and butterfat produced during November and December are shown below for Northeast States in a final tabulation as of March 31, 1945.

<u>State</u>	<u>No. of Producers</u>	<u>Cwt of Whole Milk Sold</u>	<u>Lbs. of Butterfat Sold</u>	<u>Payments</u>
Maine	6,488	532,342	149,116	\$ 442,276.45
N.H.	3,819	391,462	36,059	316,993.32
Vt.	12,833	1,704,372	99,210	1,374,426.75
Mass.	5,716	1,090,898	22,374	984,269.34
R. I.	842	198,278	1,381	178,602.11
Conn.	4,752	916,216	5,010.8	825,155.59
N.Y.	69,192	9,393,937	306,123	7,536,919.50
N.J.	4,759	1,411,886	1,740	1,270,878.80
Penna.	56,094	5,644,522	438,166	4,564,230.48
Total	164,495	21,283,913	1,059,179.8	\$17,493,752.34

For the period ending March 31 payments were made to 529 producers on appealed applications for 43,371 hundredweight of milk and 22,098 pounds of butterfat in the amount of \$25,749.79.

* * *

(AAA - NE - "Agriculture in Action" issued weekly and distributed in Northeast to State Committeemen, State Executive Assistants, Farmer Fieldmen, Pennsylvania County Committeemen, New Jersey County Chairmen and County Offices, Connecticut County Offices, and Massachusetts County Offices.)

Radio Transcription
A. W. Manchester, Director
Northeast Division, AAA, WFA
May 3, 1945 - 6:15 a.m.
Station WBZ - Boston, Mass.

MILK PAYMENTS INCREASED

There were three principal changes in the new milk production payment rates that were announced last week from those published earlier.

First -- the time for which milk payments are promised was extended from the first of January to the first of April of next year.

Second -- the rate of payment for July, August, and September, was raised ten cents a hundred pounds over that announced a while ago. The rate for those months will be fifty-five cents a hundred in Maine, New Hampshire, Vermont, New York, and Pennsylvania, and sixty-five cents a hundred in Massachusetts, Rhode Island, Connecticut and New Jersey.

And third -- the payments on butterfat, sold by the farmer as butter or cream, were increased in accordance with recent legislation.

Making the announcement for a full year ahead will be generally approved. Dairymen have been asking for assurance as to what they could look forward to.

The reason is obvious. Dairying is by its nature a long time business, not something that it is practical to increase or decrease -- or go into and out of -- for short periods.

Individual farmers can, of course, go out and buy cows and buy feed to make expansions. Even that is costly business.

But for the industry as a whole, there are no such possibilities. If there are to be more cows, they have to be raised or the rate of culling has to be reduced. Either way takes time.

And as for feed, anything that can be done about getting more feed raised for the year ahead has to be started in the next month or so.

The evidence is now pretty conclusive that the upward trend in the number of cows that has lasted for several years has stopped. Cow numbers may even have started downward.

If this announcement of higher returns and payments promised for a longer period has the effect of holding up or increasing cow numbers, it will be all to the good.

We shall need all the milk we can get for the rest of the war and if national policies of full employment, good incomes, and well distributed prosperity work out, we shall want more milk after the war than we are producing now.

The increase in the rate for July, August, and September, is made in the hope of getting a little more milk in the short months.

The best way to lessen the seasonal drop in milk production that begins in midsummer and runs into early winter, is through the newer methods of pasture improvement.

Under old systems that are still all too common, the pastures get really poor by some time in July. Grass grows only slowly then and much of the grass is old and woody -- poor stuff to make milk from.

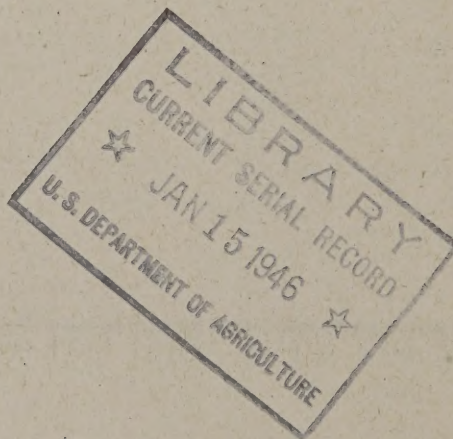
Under the newer methods there are fields of ladino clover or alfalfa from which a crop of early hay has been cut that can be pastured -- with the grazing rotating from field to field -- at that time of year. When well done, this system provides plenty of spring pasture all summer.

Unfortunately, only a few farms have yet gotten to the point where they have anywhere near enough of this sort of pasture. It will take years before this pasture system is generally adopted and established.

For this year, any increase in summer and fall milk will have to come mainly as the result of heavier grain feeding. It is a costly way, but it is the best we can do. The higher government payments are designed to help a little in that better feeding.

The higher payments for butter and cream were legislated in response to the shortages of butter and were designed to encourage more production of milk by those farmers who sell cream. The increases are very substantial. They are obviously likely to be much more significant to the butter-making areas of the country like Minnesota, Iowa, and Wisconsin than they are to the Northeast. But Northeasterners, too, will be glad of any success they attain in making more butter available.

These milk payment increases are just items in the total effort to hold up and increase food production. Food demands seem to grow constantly, and that 35 percent increase in food production over prewar that American farmers made last year, now looks like a pretty hard mark to equal, to say nothing of to beat.



24 Apr
6
War Food Administration
Agricultural Adjustment Agency
Northeast Division
Washington 25, D. C.

LIBRARY
CURRENT SERIAL RECORD
★ SEP 12 1945 ★
U. S. DEPARTMENT OF AGRICULTURE

May 16, 1945

AGRICULTURE IN ACTION

1945 - 46 TRIPLE-A The annual Triple-A appropriation has been passed by
APPROPRIATION EXPLAINED Congress and was signed by the President on May 5.
The legislation comes exceptionally early this year.
Often it is June or even July before AAA funds are finally determined.

The Appropriation Bill each year does two things. First, it tells how much money AAA can use for the current program. This year the amount is \$355,250,000 including administrative costs. The regular 1945 program was set up to cost not over \$300,000,000 so the extra will call for a little explaining later.

Second, it sets a limit on the amount of money AAA can plan on, when formulating and starting the program for the next year. The limit set in this bill for the 1946 program is \$300,000,000 -- the same as the present year.

The Appropriation Bill has also recently set limits on the amounts that can be used from the appropriation for administrative purposes. Administrative funds have been reduced each year. The total permitted this year is \$22,911,200 of which not over \$6,382,103 can be used for expenditures in Washington and the State offices.

The \$55,250,000 additional over the \$300,000,000 authorized for this year's regular program is for three purposes:

1. \$29,750,000 to make incentive payments for planting flax. It is desired to greatly increase, in fact practically double, the acreage of flax in order to provide critically needed supplies of linseed oil. Incidentally feeders will be glad to have more linseed meal. Reports are that the program is succeeding remarkably.
2. \$12,500,000 for payments for harvesting seeds, particularly clover and alfalfa which are very short and gravely needed for export, as well as for use in this country. Some Northeastern States may offer payments under this appropriation.
3. \$13,000,000 to restore AAA funds. The story is this -- in certain States under the 1944 program, the farmers carried out a lot more soil-building practices than had been expected on the basis of what they had done in the past. Under the system of State allocations of funds for the program, it would have been necessary to cut down the rates of payment to all farmers in those States in order not to overspend. Congress instructed AAA to make the payments in full. If this extra money had not been appropriated, it would have been necessary to have used some of the funds from the regular appropriation for the fiscal year beginning July 1 and would have reduced the 1946 program funds by that amount.

(continued on page two)

(continued from page one)

The total cut in the funds that may be used for administrative purposes for the year beginning next July 1 may be greater than the AAA appropriation would indicate. A part of AAA's administrative expenses is now paid from War Food Administration funds. These were allocated to make it possible for AAA to carry out the special war services -- such as machinery rationing, help with off-highway gasoline, etc.

As the war progresses, the number of these services is decreasing steadily and the funds with them. The cut in administrative funds from this source is expected to be greater than that in the AAA appropriation.

PENNSYLVANIA COMPLETES SERIES OF COMMUNITY COMMITTEE MEETINGS Recently the Pennsylvania State Committee invited county committeemen from six representative counties to attend a meeting in Harrisburg. The purpose of this meeting was to discuss with those present the possibility of giving to the community committeemen some of the background and philosophy of the AAA program and to find out from them what phases of our National economy they were most interested in.

Some of the subjects listed for discussion were "History of Agricultural Legislation," "History of the AAA Program," "Parity," "Prices," "Commodity Loans," and "The Future of the AAA Program."

It was the opinion of all those present that such meetings would be of great value to the community committeemen. Consequently, meetings were scheduled in York, Chester, Bucks, Dauphin, Columbia, and Northampton Counties. The meetings were called for ten o'clock in the morning and lasted throughout the day. Approximately 85 percent of the committeemen attended. There was not an announced program. The State reports that it was always interesting to see which way the discussion would go and how it would swing from one subject to another. A representative of the Economic Section of the Regional Office attended each of the meetings.

The State Committee plans to have such meetings in other counties as time will permit. In each of the counties where meetings have already been held, community committeemen have insisted that they be repeated in the near future.

BRISTOL CO., MASS. STARTS NEWSLETTER TO COMMITTEEMEN Bristol County, Massachusetts, can be added to the list of those counties keeping community committeemen right up to date on the AAA front, through the use of a newsletter.

Facts and some "fancy" making up "AAA, Here and There" will give the committees an easily read source of information on the progress in the county of the Agricultural Conservation Program, commodity programs, special services, and other information community committeemen need to have in carrying out their responsibility for program development and administration.

* * *

---Highlights of the AAA booklet entitled, "Roe McDanolds Has A Farm," are reviewed in the April issue of the "New England Dairyman." McDanolds is president of the New England Milk Producers' Association, No. Haverhill, N.H.

MANY NORTHEAST STATES COMPLETE JMT COURSES Numerous worthwhile work improvement proposals have been the result of the Job Methods Training Program under which State and county office employees are trained in the use of a plan to improve their work methods.

According to reports received in the Regional office, five Northeast States have completed training in both State and county offices -- Connecticut, New Hampshire, Massachusetts, New Jersey, and Pennsylvania.

The number of State office employees certified as having satisfactorily completed the course is reported as follows: Connecticut, 9; Maine, 11; Massachusetts, 9; New Hampshire, 6; New Jersey, 12; New York, 45; Pennsylvania, 80; Rhode Island, 3; Vermont, 10. County office personnel trained in JMT follows: Connecticut, 12; Maine, 7; Massachusetts, 33; New Jersey, 36; New York, 145; and Rhode Island, 3. The number of county office employees certified in New Hampshire, Pennsylvania, and Vermont has not yet been reported.

MILK OUTPUT TOPS LAST YEAR'S Farm milk production during April exceeded that for any April in 15 years by averaging to supply more than a quart of milk per person daily. The month's total output of 10.8 billion pounds was six percent larger than during April 1944.

Early grass and liberal concentrate feeding appear to have speeded the seasonal upswing in milk flow, as the April increase was much greater than the gain over 1944 levels during the first three months of 1945.

BUYERS OF "CLUB" LIVESTOCK MAY GET PERMIT TO SLAUGHTER Purchasers of 4-H and other "club" livestock -- who do not have slaughter quotas established under OPA's slaughter control and meat distribution program -- may apply to the agency for authorization to have the animals custom-slaughtered for sale or transfer, OPA announced this week.

DON'T "HOLD THE BAG" Farmers and agricultural industries will have to conserve bags again this year and keep them in condition. Stepped-up relief feeding in Europe and continued heavy military demands for bags will make them even more scarce than in 1944. Bag requirements are up 20 percent, while the allocation of textiles for bags is down 5 percent.

Bags should be (1) opened carefully so as not to tear, and (2) protected from rodents, weather, and filth. Farmers should use them over and over again or return them to trade channels.

* * *

--- WPA has extended the 100 percent set-aside of dressed poultry for Government purchase to 10 broiler-producing counties in North Carolina. Most of the poultry obtained in these counties will go to the War Shipping Administration for use on board ships moving men and materials in the lengthening supply line. Supplemental food supplies such as those procured through reverse lend-lease in Allied countries are not readily available in the Pacific area.

* * *

---As an incentive for increased production of sweetpotatoes, ceiling prices have been increased to an average of \$2.75 a bushel from a 1944 national average of \$2.58 a bushel, packed and loaded on trucks, Sunset, La., basing point.

WHAT V-E DAY
MEANS TO FARMERS No easing of the farmer's food production job is in sight. This is stressed in the report of Fred M. Vinson, Director of War Mobilization and Reconversion, as submitted to the President on the second phase of the war, as well as in a recent survey of the food production outlook. According to this survey, here are early indications of the effect on farmers of victory in Europe:

Needs for food have increased. Military requirements will not decrease and relief needs will be greater. Food production must be continued at record levels.

Surplus property will be channeled to farmers and other claimants. Certain items -- including lumber, paint, wire, and wire fence, rope, twine, motors adapted to farm use, and others -- will be assigned for sale in rural areas when available. How fast is uncertain.

Farm machinery ranks with oil-drilling equipment, locomotives, freight cars, trucks, and utilities among war-supporting civilian goods for which materials will first be made available. Manufacturers are being asked how much material they can use under expected conditions.

Gasoline supplies for farm operations will continue adequate, and farmers will share any increase in passenger car basic rations with other civilians. Tires will continue scarce. Transportation will continue a problem. Railroads face the biggest job in their history moving troops and supplies for the Pacific war while grain movement is heavy. New trucks are expected to be critically short for some time. Surplus government trucks -- how many is uncertain -- will be available through a special priority system, with farmers obtaining certificates from AAA committees.

Lumber will be needed in great quantities for the Pacific war and no improvement in the supply available to farmers is expected for a year at least.

Fertilizers may eventually become more plentiful, but not in time for this year's crops. Insecticides and fungicides will continue in short supply at least through this crop year.

Milk cans should continue in adequate supply as controls over materials and distribution are eased. Containers other than glass, of which the supply is believed adequate, are expected to continue scarce. Bagging production is running 20 to 25 percent short of estimated requirements, wooden container outlook is the darkest of the war, and paperboard is critically short.

Farm labor prospects are uncertain. Farm workers are subject to the same point system for Army discharge as all other soldiers. However, the War Department has assured WFA that a peak total of 85,000 prisoners of war will be available for agricultural work through July, compared with 65,000 a year ago. Largest assignments are to sugar-beet areas. WFA will request an even larger number of POW's for farm work at the peak of the fall harvest season.

Electric service will be easier to get. Effective May 12, the WPB revoked all supplementary orders in the U-1 series, which governed farm service connections and wiring. Utilities may now make electric extensions and connections as they desire, being limited only by Order U-1, which automatically permits expenditures up to \$25,000 for minor capital additions, including any continuous extensions of lines.

FARMERS NEED NATION'S
AID IN POSTWAR SECURITY
STATES SECRETARY WICKARD

Emphasizing the interdependence of farmers, business, and professional people, Secretary of Agriculture Wickard in a talk before the Kiwanis Club of Richmond, Indiana, on May 9, made the following statements:

"... I believe one of the first things business and professional men will find, as they get to know their farm neighbors better, is the way so many local difficulties reflect national problems. Perhaps I can make this point clearer by giving you a farmer's viewpoint on the size and nature of the two basic agricultural problems that we as a Nation must tackle. They are, first, the need for conserving and improving soil resources so that farmers can continue to produce abundantly and efficiently over an indefinite period; and, second the need for developing good markets for the abundance farmers are almost sure of producing during the few years just ahead. . .

"When I speak of care of the soil, I am thinking as much of the creeping loss of fertility on land that still looks to be in good shape as of the more spectacular damage done by wind and water erosion. . . The Nation knows that 50 million acres of once good cropland have been ruined, another 50 million badly damaged, and still greater areas are undergoing constant erosion, or are seriously threatened by the effects of washing and blowing. What most people do not recognize is the steady decline in productiveness of most of the Nation's farm soils.

"The drop in fertility is especially hard to notice, because so many signs seem to be pointing the other way. Year after year farmers have been setting new records for high production. Yields are much better than they used to be in many parts of the country. It is easy to forget that the chief reasons for the greater production are the better machinery that farmers have now, the higher-yielding varieties of seed, and the generally improved methods of farming. For the moment these factors are hiding and overbalancing the deterioration of the soil itself. But the deterioration goes on. Especially with high war production, we are taking more fertility out of the land in crops than we are putting back with legumes and manure and commercial fertilizer.

"... If we want to be assured of a continuing food supply in this country, the whole Nation, not just farmers, will need to take a constructive interest in building back soil fertility and in preventing erosion and repairing damage it has already wrought.

"This need is tied very closely to the need for creating markets for farm products. Unless adequate markets for abundance can be found and developed, farm people won't be getting good incomes for very long. Without sufficient incomes, farmers cannot care for their land properly. Either they are compelled to farm in a destructive, inefficient manner, or are forced to go out of farming altogether. . .

"But there is another -- and very important thing to remember. As farmers go ahead with full production and with efforts to take care of their soil, they need assurance from the rest of the Nation that they never will be penalized for the bounty of their production. Better markets because consumers have more buying power can be expected to do most of the job of keeping farmers prosperous, but in addition a well-rounded national farm program will be needed. Farmers will need protection against sudden price fluctuations. They need extensive research programs to find new and better ways of producing and marketing their products. They will need aid in shifting to production of things consumers can use in the largest amounts. They will need national programs for increasing the consumption of low-income families. They will need aid in maintaining good export outlets."

VEGETABLE PROSPECTS Tonnage of each of the commercial truck crops to be harvested this spring, except asparagus, snap beans, cauliflower, onions and spinach, is above last year. Over-all the tonnage increase is indicated at 6 percent, on the basis of May 1 conditions.

Commercial early spring Irish potato production is indicated at 10 percent more than April expectations largely because of improved growing conditions in Florida. Record late spring commercial crop potato production in California and ten southern States is indicated at about 4 million bushels more than in 1944.

Green lima beans acreage for canning and freezing will be up 11 percent over 1944 planting acreage if canners and freezers carry out intentions to contract and plant. Similar intention reports, previously announced, showed acreage increases in tomatoes, sweet corn, beets, pimientos, and cucumbers, and a decrease in snap beans. Packers have indicated about the same acreage as in 1944 for cabbage for kraut.

LAYERS HIT NEW RECORD; Although egg production per layer during April was
TOTAL OUTPUT DOWN a record for the month, the total of 6,670,000 eggs
laid was 5 percent below April last year.

Chief reason for smaller total output is a decrease of about 10 percent below last year's peak in the number of hens on farms. Total hens on farms April 1, however, were 21 percent about the 10-year (1934-43) average.

Heavier-than-usual culling and some liquidation of flocks have occurred, particularly in the Northeast, Southern, and Western Regions. Current chicken prices in these areas are proving more attractive than the profit to be expected by keeping the chickens for egg production.

UNUSED FARM MACHINERY Roland S. Maxwell of Ellicott City, Maryland,
PUT TO WORK BY COMMITTEEMAN chairman of the Howard County AAA Committee,
who is an auctioneer as well as a farmer, recently
held a community consignment sale of idle farm machinery which grossed \$6,000.
For about a month Maxwell asked every farmer who came to his office whether
he had any farm machinery he wasn't using and didn't intend to use. That gave
him a list of usable equipment. A little-build-up in the local press did
the rest. Maxwell acted as auctioneer.

FRESH VEGETABLES FOR Fresh vegetables by air transport are now being landed
TROOPS IN THE PACIFIC weekly on Iwo Jima and other islands in the Southwest
Pacific to nourish American troops. Tiny Iwo Jima
received 1000 pounds of fresh vegetables from U.S. gardens on Guam during March
when this service was begun. Some 5,000 acres of gardens in the Pacific area
are now yielding about 3 million pounds of vegetables monthly at an estimated
value of \$300,000. Another 10,000 acres in that area will soon be producing.
The gardens are managed by about 20 agricultural specialists of the Foreign
Economic Administration who landed after assault troops with seed, machinery,
fertilizer, insecticides, and fungicides.

* * * *

(AAA - NE - "Agriculture in Action" issued weekly and distributed in the North-east to State AAA Committeemen, State Executive Assistants, Farmer Fieldmen, Pennsylvania County Committeemen, New Jersey County Chairmen and County Offices, Connecticut County Offices, and Massachusetts County Offices.)

May 23, 1945

LIBRARY
CURRENT SERIAL RECORD

☆ AUG 18 1945

✓✓✓
AGRICULTURE IN ACTION

AAA TO ADMINISTER
BEEF PRODUCTION PROGRAM
Beef production payments of 50 cents per hundredweight on Good and Choice cattle weighing 800 pounds or more -- the first direct beef subsidy to farmers -- will be administered by county AAA offices similarly to dairy production payments.

The subsidy is part of a program to boost meat production and to improve distribution. To be eligible, farmers are required to (1) own and feed cattle at least 30 days prior to sale for slaughter, (2) sell to licensed slaughterers or to buyers for delivery to a licensed slaughterer and (3) to receive at least the minimum sale price for the zone.

The minimum sale price is \$14.25, Chicago basis, but varies by zones as defined in CPA Maximum Price Regulation 574. The maximum overriding ceiling is \$18.00. The price in the Northeast Region varies from \$14.65 to \$14.80.

Procedure is being written to cover the operations of the program by county committees. Farmers should be notified to save records of sales showing weights, prices, and purchases for all cattle sold for beef. The subsidy became effective May 19.

The program is intended to move more cattle through the feedlots and more from the range which will yield "AA" and "A" grades of meat; also to direct more cattle into normal channels of distribution.

Other WFA Action

In addition to the beef production program, other action taken to improve the meat situation follows: (1) The regular subsidy on all grades of cattle to processing and nonprocessing slaughterers will be raised 25 cents June 4. Then the subsidy will be \$3 for Choice and \$2.95 for Good cattle per cwt. at Chicago. (2) An additional subsidy, effective June 5, of 40 cents per cwt. will be paid nonprocessing slaughterers to replace the 80-cent additional subsidy now in effect. (3) The pork subsidy paid to packers has been raised 40 cents per cwt. -- from \$1.30 to \$1.70, retroactive to April 1, subject to upward or downward adjustments.

These subsidy changes are anti-inflation measures to stabilize prices to consumers. They permit slaughterers to operate profitably under present ceiling prices. The additional subsidy is paid nonprocessing slaughterers because their margin of profit is smaller than processors'.

Feeders are assured of at least a 6-months notice of any revision in the overriding ceiling prices or the maximum stabilization ranges for beef, except bulls. This protection should encourage greater investment in feeder cattle.

300-POUND LIMIT LIFTED
FROM HOG SUPPORT PRICE
Hog producers received additional incentive to increase 1945 fall pig production with removal of all weight limitations on the War Food Administration's price support commitment. The price support program for hogs now reads: \$13 per cwt., Chicago basis, for Good and Choice barrow and gilt butchered hogs until Sept. 1, 1946. The support price recently was increased 50 cents to stimulate more breeding of sows for fall farrowing.

**WFA ANNOUNCES
LEGUME SEED PROGRAM**

Farmers will receive special acreage payments under the AAA 1945 program as an inducement to harvest legume seed in 1945, WFA has announced. The expended program made possible by a Congressional appropriation of \$12,500,000 to stimulate red clover, alfalfa, and alsike seed production, will include no acreage limitations or farm allowances.

A practice for harvesting alfalfa, red clover, and alsike clover seed has been added to the New York, New Jersey, and Pennsylvania State bulletins. The payment is \$3.50 per acre of seed harvested.

The need for legume seed this year is particularly acute, N. E. Dodd, Chief of the AAA, points out. Last year's production was below expectations because of unfavorable weather, and domestic and foreign requirements are high. Estimates are that European countries alone will need 20 million pounds of red clover seed, as well as 5 million pounds of alfalfa and 3 million pounds of alsike clover seed.

**DELIVERY OF MATERIALS
IN APRIL SLOW; INDICATE
IMPROVEMENT THIS MONTH**

Deliveries of lime and superphosphate under the 1945 ACP in the Northeast Region were still far behind deliveries which had been made a year ago this time according to the April 28 report shown below. However, delivery of commercial sales to farmers were at the peak in the month of April and reports indicate that May deliveries are improving considerably.

The most recent tabulation showing the status of conservation materials through April 28 is compared below with orders and deliveries through June 3, 1944, under the 1944 program.

State	Superphosphate(20% equiv.), tons				Liming Material (tons)			
	Orders Placed		Amount		Orders Placed		Amount	
	With Suppliers	1944	1945	Delivered	With Suppliers	1944	1945	Delivered
Me.	6,598	2,435	6,226	1,906	86,122	34,143	65,192	22,706
N.H.	6,676	5,395*	5,682	3,390	31,097	15,478	25,544	9,130
Vt.	21,845	6,197	18,629	3,642	100,972	81,546	77,714	53,041
Mass.	12,986*	6,774	11,867	3,195	57,167	34,341	44,356	22,866
R.I.	1,581	936	1,486	843	6,858	4,194	4,932	3,229
Conn.	8,893*	4,090	8,451	664	59,540	35,525	43,627	18,954
N.Y.	80,065*	43,768**	59,108	13,320	594,564	425,490	380,535	136,649
N.J.	3,641	3,302**	3,273	1,130	92,107	84,718	81,883	61,600
Penna.	23,531*	18,209**	10,740	4,933	494,161	306,176	294,486	88,411
Total	165,816	91,106	125,462	33,023	1,522,588	1,021,611	1,018,989	416,592

(* Includes purchase order plan. ** Purchase order plan.)

**MORE TRUCKS SEEN
FOR FARMERS**

Farmers before the end of the year may be able to obtain more light and medium trucks. More materials have been allotted for truck production during the last two quarters. Most of the increase will be in light and medium trucks which are most suitable for farm use. The number of trucks resulting from the increased allotment will be announced soon.

* * *

---Restrictions on the sale and shipment of Irish potatoes in designated counties of Oregon, Idaho, and Michigan have been removed by WFA, effective May 15. The order still remains in effect in Aroostook County, Maine, and Kern County, Cal.

DAIRY PRODUCTION PAYMENT
REPORT FOR FIRST QUARTER

The first report of dairy production payments for wholemilk and butterfat sold during the months of January, February, and March is shown below for the Northeast Region. Payments include reductions for previous over-payments and appeals covering previous payment periods.

State :	Net :	Current Period				Appeals		
		No. of Payments :	Cwt. of Milk Sold :	Whole Butterfat :	Lbs. :	No. of Payments :	Cwt. of Whole Milk Sold :	Lbs. Butterfat :
Me.	502,094.84	4,373	606,486	148,931	4	756	533	
N.H.	377,021.19	2,657	466,343	35,409	3	65	-	
Vt.	1,820,940.42	10,208	2,265,429	73,369	24	666	1,007	
Mass.	1,204,566.83	4,273	1,334,218	13,967	20	3,254	126	
R.I.	234,093.40	699	259,936	1,372	-	-	-	
Conn.	1,199,083.49	4,297	1,328,256	5,744	24	4,249	-	
N.Y.	8,793,893.39	43,789	10,946,811	279,455	93	9,356	3,972	
N.J.	1,787,732.72	4,189	1,985,952	2,538	-	-	-	
Pa.	5,479,438.70	38,384	6,785,504	460,055	97	4,230	3,800	
Tot.	21,398,864.98	112,869	25,978,935	1,020,840	265	22,573	9,438	

Farmers are reminded that reports on milk and butterfat sales during the first three months of this year must be filed by May 31 in order to qualify for payment.

COUNTIES ELIGIBLE FOR
WHEAT INSURANCE DETERMINED

New York, New Jersey, and Pennsylvania have been requested by the Program Operations Section to report to the Regional Office the counties in

which wheat insurance will be sold, the number of farms producing wheat in the designated counties and the probable minimum participation by farmers in the crop insurance program.

According to FCIC regulations insurance will not be offered in any county unless written applications are filed for at least 50 farms or one third of the farms normally producing wheat -- whichever is smaller.

A well-organized drive to sell winter wheat crop insurance is being laid out in the Washington office and suggestions will go to State committees within the next few weeks.

CHICK OUTPUT
SETS NEW RECORD

Farmers and commercial broiler producers expect to meet the demand for poultry meat with peak production, hatchery chick orders indicate. Chick output by commercial hatcheries

during April was the largest for any month on record -- 9 percent more than in April last year and 4 percent more than the previous high in April 1943.

There is no apparent letup in the demand for chicks and the seasonal drop-off in the supply of hatching eggs may be the only limit on May and June hatchery operations. Many hatcheries producing chicks for commercial broiler production have their entire output of chicks booked through October and November of this year. Demand for turkey poults also continued at record levels in April, with output 20 percent more than in April last year.

AAA FUNCTIONS WITH FARM TRANSPORTATION PROGRAM END After June 30, 1945, funds will not be available for work in connection with the Farm Transportation Program. Therefore, all work in connection with this program, including assistance given farmers on applications for truck tires, tractor tires for replacement and conversion, new trucks, and off-highway gasoline, will be discontinued.

Farmers should be informed that beginning July 1 the OPA and ODT will handle their programs without assistance or recommendations from AAA Committees. This action eliminates all instructions outstanding and includes the following: Tractor tire size substitution, reporting quota or tire shortages, transportation handbook, revised procedure steel-wheeled conversion, transportation of migratory farm labor, use of "R" coupons, fuel for commercially operated farm vehicles, reports on conversions, truck tires for limestone and fertilizer trucks.

ANOTHER SPECIAL SERVICES JOB IS ELIMINATED Since WPB has revoked all supplementary orders in the U-1 series, county AAA committees will no longer issue: (1) certification of animal units on farms as formerly required under Order U-1-c, (2) the certification of eligibility for irrigation connections formerly made under U-1-i and (3) recommendations to WPB for appeal cases which did not qualify under existent orders.

FARM MACHINERY OUTPUT RESTRICTIONS RELAXED More farm machinery will be made available to farmers. WPB has broadened the list of implements using rubber tires which may be manufactured and has announced that July 1 production quota limitations for both large and small manufacturers will be removed.

Farm machinery, equipment, and repair parts, including non-farm, may be delivered without priority ratings except to fill orders placed directly by the war services. All manufacturers will continue to receive allotments of controlled materials and other priority assistance.

There are still certain restrictions, however. Larger manufacturers and others will be required to get an approved schedule from WPB for each item they want to make after July 1.

WPB MILK COOLER ORDER REVOKED Farmers no longer need certification or WPB priority ratings to purchase mechanical milk coolers or units.

WPB has revoked the order controlling production and distribution of refrigeration equipment, which will mean an eventual increase in supplies. In some areas, current supplies may not meet demand since it will take time for manufacturers to step up production.

A farmer may receive a WPB emergency priority rating if his need for the equipment justifies it. If he has tried unsuccessfully to buy the equipment from at least three sources, he can apply for this rating at his Regional WPB office.

* * *

---State certifying officers in the Northeast Region reported the following payments certified as of May 12, 1945, under the 1944 Agricultural Conservation Program: Maine, \$36,983.93; Vermont, \$1,745.10; Massachusetts, \$49,930.67; New York, \$57,872.32; New Jersey, \$737,363.40; Pennsylvania, \$184,032.84; total, \$1,062,928.76.

POTATO PRICE SUPPORT ANNOUNCED WFA's price support programs for 1945 Irish potatoes maintain approximately the same price schedules as in 1944. Size and grade differentials are included, however, for the early and intermediate crops. Loans will be the principal means of price support for the late crop.

To participate in the price support program, farmers must offer for sale all marketable grades of potatoes in a given lot. WFA will not accept potatoes where only the lower grades are offered. The support price will apply to all potatoes of U. S. No. 2 grade, 1-7/8 inches minimum or better.

Prices of late-crop potatoes which do not store well, or which are grown in areas where loans are impracticable, will be supported by diversion programs, supplemented by direct purchases to the extent of available outlets. Late-crop storage potatoes will not be purchased in areas where loans are feasible. Such loans will be available September 15.

The basic price support schedule announced earlier for early and intermediate crop potatoes did not include U.S. No. 1, B size; and U.S. No. 2 grades. Differentials for these grades will be 50 percent or the applicable basic price announced for U.S. No. 1 grade for the area. Otherwise the price schedule remains unchanged.

Western dehydration plants now are supplying their production to the Army, and some plants in the East may be used to augment this supply. CCC is assisting several Western raisin dehydrators to prepare for potato dehydration operations on late, early, and intermediate potato crops expected to overlap more than usual this year on the West Coast and the Eastern Shore areas.

Department of Agriculture research laboratories and the Army also have been studying methods of handling and treating potatoes so that overseas shipments can be made without dehydration.

BASIC PRICES, 1945-CROP LATE POTATOES

State	District	Variety	July	Aug.	Sept.	Oct.	Nov.	Dec.
Connecticut	All	All	--	2.20	2.25	2.30	2.35	2.45
Maine	Aroostook	Premium	--	--	1.95	2.00	2.10	2.20
Maine	Aroostook	Other	--	--	1.85	1.90	2.00	2.10
Maine	Other	All	--	--	1.95	2.00	2.10	2.20
Mass.	All	All	--	2.20	2.25	2.30	2.35	2.45
N. Hampshire	All	All	--	--	2.25	2.30	2.35	2.45
N. Jersey	All	Prem.	2.15	2.20	2.25	2.30	2.35	2.45
N. Jersey	All	Other	2.15	2.20	2.20	2.25	--	--
New York	Long Island	Prem.	2.15	2.20	2.25	2.30	2.35	2.45
New York	Long Island	Other	2.15	2.20	2.20	2.25	--	--
New York	Other	All	--	2.15	2.15	2.20	2.30	2.40
Penna.	All	All	--	2.15	2.15	2.20	2.30	2.40
Rhode Island	All	All	--	2.20	2.25	2.30	2.35	2.45
Vermont	All	All	--	--	2.25	2.30	2.35	2.45

PHILADELPHIA MILK ORDER Proposed amendments to Marketing Order 61, regulating the handling of milk in the Philadelphia, Pa., marketing area have been submitted to producers and handlers for industry comment and suggestions by the WFA. Principal provisions of the proposed amendments call for: (1) a change in the "producer definition to clarify the status of producers supplying fluid milk to the Philadelphia area, (2) an increase from 4 to 5 cents in the producer butterfat differential used in paying producers, (3) revision of the rule for classifying emergency milk.

FARM LABORERS 50,000 BELOW MAY LAST YEAR Fewer persons were working on farms on May 1 than the previous record low for that date a year ago, the USDA reports. About 10,000,000 persons were employed on farms on May 1 of this year, a decrease of a little more than 50,000 from the same date in 1944. The index of employment was 83 this month, 75 for last month and 84 on May 1, 1944. Hired workers numbered only 1,364,000 as compared with 1,989,000 on May 1, 1944. This reflects less than the usual seasonal increase during April.

Many are already trying to make arrangements for the extra help needed when harvest begins. Farmers are again counting upon imported labor and prisoners of war to bear part of the peak harvest load, although these sources have supplied only a very small proportion of the total farm work force. Numbers of family workers have increased a little over a year ago, partially compensating for the scarcity of hired help.

FOOD PRODUCTION PROSPECTS SLIGHTLY UNDER LAST YEAR In its first official forecast of 1945 food production, the Department of Agriculture estimates that total U.S. food output this year will be 4 percent less than the record production of 1944 but still 32 percent above the pre-war level.

The main decrease will be meat slaughter, estimated 9 percent under last year. Increases over last year are expected in vegetables and dairy products.

The changed production picture will mean 5 to 7 percent less food on the average for each civilian in 1945 compared with 1944. This year's average per person, however, still would run 2 to 4 percent above the 1935-39 average.

WORK TO START ON BIG REA PROGRAM More than 900 REA-financed rural electric systems have been instructed by Acting Administrator William J. Neal of the REA from its St. Louis headquarters to start work at once on delayed power line construction projects totaling more than 100 million dollars.

In a series of staff conferences at St. Louis, Neal told employees of the Agency that REA faces "the biggest power line construction job in history" under WPB Order U-1, as amended May 12, liberalizing wartime restrictions on power line constructions. He said much of the construction for which REA has already allotted loans can proceed as rapidly as manufacturers can deliver material and the REA borrowers can hire labor.

1946 GOALS WORK BEGINS Tentative plans now taking final shape call for about the same timetable and machinery for setting 1946 crop and livestock production goals as was followed the last two years. WFA suggestions for next year's farm production probably will be presented to State Goals meetings in November with announcement of final national goals coming around January 1. Work on the 1946 wheat goal will start in June.

* * *

(AAA- NE - "Agriculture in Action" issued weekly and distributed in the Northeast to State AAA Committeemen, State Executive Assistants, Farmer Fieldmen, Pennsylvania County Committeemen, New Jersey County Chairmen and County Offices, Connecticut County Offices, and Massachusetts County Offices.)

Radio Transcription
A. W. Manchester, Director
Northeast Division, AAA, WFA
Station WBZ, Boston, Mass.
May 24, 1945 - 6:15 a.m.

RETURNS TO POTATO AND BEEF PRODUCERS ASSURED

Two long-awaited official announcements -- one on potato prices and the other on payments to beef cattle feeders have been made in the last few days.

The potato statement is a promise that potato prices for the coming crop will be supported at exactly the same levels as last year's crop.

There is one change, however. It relates to the potatoes of lower grade than U. S. 1's. Number 2 potatoes and size B's will have price support at half the price of Number 1's. But here's the difference from last year. If a grower sells all his Number 1's to someone else and then offers his Number 2's to the Government, it is not obligated to take them. He will have to offer all the marketable grades to the Government in order to be sure that the lower grades are purchased.

This does not mean, as I understand it, that the Government, in such a case, will necessarily buy the Number 1's. If the grower can secure a desirable sale for them he may, very likely, be authorized to make the sale, but the Government is not obligated to take any potatoes unless all grades are offered.

You may well ask, "Why the provision?"

This is my understanding. It is desired to have all the potatoes that are needed for food used for that purpose. It's hard to sell the lower grades of potatoes nowadays. Everybody wants to buy Number 1's.

So, if the Government is supporting the price of Number 2's at half the price of Number 1's without any limitation, it is apt to be about the only buyer and to find great difficulty in getting them back into food channels.

This provision, it is hoped, will make it possible for needed supplies of these lower grades to keep going to consumers at prices that will move them while, at the same time, the grower will receive the promised support prices for his crop.

The announcement of a payment of 50 cents a hundredweight to beef cattle feeders who market good and choice grade cattle had been rumored for a long time. It became effective May 19.

It is limited to cattle weighing 800 pounds or more liveweight, which are sold for slaughter to a licensed slaughterer and at a price not less than the stabilization price. The minimum stabilization price in the Northeast ranges from \$14.65 to \$14.80 a hundred pounds.

I can't give you very many of the details, yet, of these payments and how they will be handled. They will be made, I understand, through the county Triple-A offices very much as the milk production payments are made. They are intended

only for genuine feeders who have fed the cattle at least 30 days.

Explanations, theories and speculation about the meat shortage and what ought to be done about it have run riot for the last month or two. Some of them have verged on the ridiculous to anyone who knows anything about cattle. Some, of course, have been genuine and sincere.

But there is nothing funny or phoney about the shortage of meat on the market. There is no question that the series of actions, of which this feeder payment is one, is a real attempt to improve the situation.

Just how well these actions will work is a matter of speculation. To expect anything like complete relief would be foolish. Part of the reason why supplies of meat can't immediately be balanced with demand is rooted in the facts of nature -- things like the fact that it takes a cow and two or three years to make a steer, and that you can't make any more meat than you have feed to make it of, and that we are already at about the practical limit of feed production in this country.

But if this payment gets the animals that are marketed a little better fed, it will add a little to both pounds and quality. And if it helps to get them marketed through the legitimate channels it will make for fairer distribution of the available meat to all consumers.